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My dear Mr. Young:

Reference is made to your letters of July 29, 1953 and September 22, 1953 requesting the Department's views in the matter of overseas personnel management.

The Department of State agrees that a careful analysis should be made of the various systems of employment and compensation for United States Government overseas personnel.

In approaching this problem we consider it essential to determine the extent to which the various agencies in the Government employing overseas personnel are faced with the same problems and conditions of service in staffing their respective overseas activities. To the extent that there are fundamental differences in this regard, we believe that standardization under a uniform system of personnel management centrally regulated will hamper rather than assist the agencies affected in carrying out their respective responsibilities. In this connection the Department would like to point out that diversity in personnel systems is by no means confined to the Government's overseas activities, but also is characteristic of its domestic operations.

Certain overseas activities are essentially a projection of domestic functions to an overseas environment. Effective staffing of these operations does not necessarily call for long-term service abroad. It does, however, call for a ready means whereby personnel, having served for a temporary period abroad, can pursue their career in Federal service in this country. Such a condition does not appear to exist today even within the Civil Service system.

By contrast, other overseas activities, while tied to a directing and coordinating agency in the United States, are

an integral

The Honorable
Philip Young, Chairman,
United States Civil Service Commission.

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an integral part of foreign affairs. In this sense, the overseas operations of the Department of State, the Foreign Operations Administration, the United States Information Agency, and the Central Intelligence Agency do not represent a projection of domestic functions abroad. [In addition, in the case of the Department of State, the problem of staffing an organization dispersed throughout the world, having field establishments that range from large embassies to small, isolated posts, and involving extreme variations in environmental conditions, requires a long-term commitment on the part of personnel to serve overseas as the needs of the organization require. These factors, in turn, call for special methods for dealing with the problem of promotion, job classification, and other phases of personnel management.

You will recall that the Commission on Organization of the Executive Branch of the Government in its report on foreign affairs endorsed the concept of a safeguarded foreign affairs career group, administered separately from the general Civil Service. This concept was later affirmed by the Secretary's Advisory Committee on Personnel, known as the Rowe Committee.

In the light of the above comments, we believe that the following principles will provide a constructive approach to the problems of overseas personnel management.

1. That legislation be drafted providing for the establishment of a foreign affairs service to encompass, in terms of personnel management, the overseas and domestic personnel of the Department of State (including the Foreign Service of the United States), the Foreign Operations Administration, the United States Information Agency, and possibly the Central Intelligence Agency. Certain other agencies might also be affected. The Department proposes that the drafting of such legislation be undertaken in sufficient time to permit early consideration by the first Session of the 84th Congress. In view of the Department's primary and continuing interest in this area, it proposes that the Department of State assume the initiative in the preparation of this legislation in consultation with you and the agencies concerned. The Foreign Service Act of 1946, as amended, might well be utilized as a point of departure in the development of such legislation.
2. That the personnel system applicable to these agencies permit flexible utilization of foreign affairs personnel between overseas and domestic assignment as well as across agency lines for work involving similar functions, subject to an appropriate screening or examination process.

3. That

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3. That such a foreign affairs service be outside of the present Civil Service system, (as recommended by the Hoover Commission), but that provision be made whereby personnel interested in qualifying for service under the Federal Civil Service can, by appropriate examination, acquire Civil Service status. In reverse, provision would be made in the foreign affairs service whereby Civil Service personnel interested in the foreign affairs field could establish eligibility under proper examination procedures.
4. That to the extent conditions of service are substantially comparable, pay, allowances, leave, retirement and other related employee benefits be uniform as between the foreign affairs service and other categories of employees. (In this connection much can be done to provide greater standardization of benefits than presently obtain.)
5. That sufficient flexibility be provided so that each of the various agencies involved can select and assign personnel and in general use personnel administration as a means of effectively meeting their respective missions as laid down by Congress and the President of the United States.
6. That provision be made to comply with the Constitutional requirements relating to the appointment of diplomatic and consular officers.

The department is aware of the fact that the development of a comprehensive foreign affairs personnel system raises certain problems with respect to the development and application of a common body of personnel regulations. However, we believe that a solution can be found to the mutual satisfaction of the agencies affected.

In conclusion, while the Department recognizes the desirability of removing unwarranted disparities and differences in personnel systems for overseas employment, we believe the above approach will go far toward achieving such objective, and at the same time that it will avoid serious problems of adjustment that might well prove damaging to the conduct of foreign affairs.

Sincerely yours,

Cleared by Mr. Wilson with Ambassador Murphy at 3:30 p.m. October 15, 1953

PER/CO ca: 10/5-9/53

Cleared in previous draft
with SCA - STAT